(d) if so, the details thereof; and

(e) the other measures taken for providing adequate financial help to power sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) In 1992, the Government of India announced the policy for inviting private participation in power generation. As a part of the liberal policy, Government allowed a maximum debt equity ratio of 4:1 and minimum promoters contribution of 11%. The policy also allowed *inter-alia* 100% FDI and full repatriation of dividends. There has been no major change in the policy announced by the Government in this regard.

(c) and (d) RBI has stipulated companies/group exposure norms for infrastructural/other projects. These envisage exposure upto 25% of the net worth to single company and 50% of the net worth to a group. This has been relaxed to 60% if the incremental 10% is for infrastructure area.

(e) In view of the direct and indirect benefits accruing to the units in small scale sector, it has been decided that, in addition to the present operations, S1DBI would also, on consortium basis with other financial sector participants such as IDBI, IDFC, 1CICI, IL&FS, SBI, PNB and other major banks participate in funding of infrastructure projects from sectors such as power, roads, urban infrastructure, ports, telecom etc. which would benefit the SSI sector.

Bicycle sector under excise net

5010. SHRIAIMADUDDIN AHMED KHAN (DURRU): Will the Minister of FINANCE be pleased to state:

(a) whether Government have received representations from cycle and cycle accessories manufacturers, mostly small scale manufacturers, through Members of Parliament and otherwise about the imminent closure of large number of such units with imposition of fresh excise duty under the current year's Central Budget;

(b) if so, whether bicycle sector has all along been exempted from excise duties, being a poor man's vehicle; and

(c) the reasons for bringing the bicycle sector under excise net?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI G1NGEE N. RAMACHANDRAN): (a) The Government have received representations from cycle and cycle parts and accessories manufacturers through

Members of Parliament and otherwise, seeking exemption on cycles and the parts and accessories of cycle and cycle rickshaws from the *4%* excise levy as this levy will adversely effect the industry.

(b) and (c) In order to achieve a simple, equitable and rational tax structure, a nominal duty of 4% was imposed on large number of items, including bicycles and its parts and accessories which were hitherto exempt from excise duty. However, having regard to these representations, the Government have exempted parts and accessories of cycles and cycle rickshaws from the 4% excise levy with effect from 27th April, 2002.

Customs Duty evasion by firms

5011. SHRIRAMACHANDRA KHUNTIA: Will the Minister of FINANCE be pleased to state:

(a) the figures of evasion of Customs Duty by firms operating under the various export promotion schemes since 1995, year-wise and scheme-wise;

(b) whether any defaulting firms/offenders have been prosecuted/ punished for evasion of Customs Duty; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN). (a) to (c) The information is being collected and will be laid on the Table of the House.

Constitution of Twelfth Finance Commission

5012. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to constitute the Twelfth Finance Commission soon;

(b) if so, whether views of State Governments have been taken into consideration before constituting the Twelfth Finance Commission;

(c) what is the constitution of the Commission; and

(d) by when this Commission is likely to submit its recommendation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) The State Governments have been asked to send their views/comments on the terms of reference of the Twelfth Finance Commission. Their views/